

CITY COUNCIL AGENDA REPORT

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO, CALIFORNIA, APPROVING AND ADOPTING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE CALEXICO FIREFIGHTERS' ASSOCIATION AND AUTHORIZING THE CITY MANAGER TO SIGN THE MEMORANDUM OF UNDERSTANDING ON BEHALF OF THE CITY

AGENDA DATE: May 20, 2009

PREPARED BY: Jessica Falk Michelli, Deputy City Attorney

APPROVED FOR AGENDA BY: Ralph Velez, City Manager

RECOMMENDATION: Approve resolution.

FISCAL IMPACT: Previously approved impact on General Fund.

BACKGROUND: Employer-Employee Relations for the City are governed by California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act, and Calexico City Council Resolution No. 2204, entitled: "Resolution of the City Council of the City of Calexico Pertaining to Employer-Employee Relations for the City of Calexico," dated July 7, 1970, which is also referred to as the "Employer-Employee Relations Resolution of the City of Calexico." Approval of the terms and conditions of new employment agreements between the City and bargaining units requires a meet and confer process pursuant to the Government Code.

Section 15 of the City's Employer-Employee Relations Resolution of the City of Calexico provides: "When the meeting and conferring process is concluded between the City and a formally recognized employee organized representing a majority of the employees in an appropriate unit, all agreed upon matters shall be incorporated in a written memorandum of understanding signed by the duly authorized City and majority representatives. As to those matters within the authority of the City Council, the memorandum of understanding shall be submitted to the City Council for determination."

The Memorandum of Understanding ("MOU") between the City and the Calexico Firefighters' Association ("Fire Association" or "bargaining unit") for fiscal years 2006-2008 expired on June 30, 2008. Pursuant to Article 1, Section 2 of the expired MOU, the terms and conditions of the expired MOU remain in place governing matters until a new MOU is agreed upon by the City and Fire Association.

The City's Negotiation Team, composed of the City Manager, Finance Director, Human Resources Director, and a representative from the Office of the City Attorney, and representatives of the Fire Association held numerous "meet and confer" sessions regarding terms for a new MOU.

The City's negotiation team and Fire Association team have reached agreement for a new MOU for the period of July 1, 2008 through June 30, 2009; the new one-year MOU is before the City Council for approval. The MOU before the Council has been ratified and approved by the membership of the bargaining unit. Upon approval of the Resolution before the City Council, the MOU shall reflect the sole agreement of the parties and supersede all prior agreements whether written or oral.

DISCUSSION:

The economic changes from the previous MOU are as follows:

- 1) No cost of living salary adjustment shall be provided for the duration of the MOU.
- 2) The Fire Association has agreed to be subject to work furlough in an amount equivalent to one (1) pay period for the fiscal year, effective July 1, 2008, provided that all City employees are subject to work furlough. One pay period is defined as 1/26th an employee's annual salary equal to the amount reported to PERS, as per Govt. Code section 20636. Bargaining unit members may use the furlough, as days off work, up until June 30, 2010. If, and only if, the Fire Association is subject to work furlough, each member will receive one additional floating holiday to use during fiscal year 2008-2009.
- 3) The City and the Fire Association agree to a change in the City's Health Plan. The City agrees to pay the full costs of the increased medical expenses between July 1, 2008 and March 3, 2009, for the insurance plan that is selected. The bargaining unit member agrees to pay half of the increased cost of the medical care expenses from March 3, 2009 to June 30, 2009 for the insurance plan that is selected.
- 4) The City agrees to furnish \$1500.00, including boots, per year to each bargaining unit member as clothing allowance.
- 5) The City agrees that Certified EMT IIs and certified Advanced EMTs receive an additional 5% of base pay. A certified paramedic receives an additional 7.5% of base pay. No bargaining unit member may receive both incentive pays at a time. The City agrees to conduct a market study of certified paramedic incentive pays, and discuss a comparable rate adjustment, if any.
- 6) The City agrees that any bargaining unit member who is required to accept or is assigned work out of the County, shall be paid at the rate of 1.5 hours for each hour worked.
- 7) The City agrees that any bargaining unit member who is part of the Hazmat Team shall receive an additional 2.5% of base pay.
- 8) The City agrees to grant three (3) paid days for bereavement leave following the

death of a qualified relative of an employee. An employee shall be excused from work by the City, upon the employee's request, for an additional two days following the death of a qualified relative, on the condition that the employee uses existing vacation leave, sick leave, or other accrued leave time.

- 9) The City agrees to provide a health allowance for those employees who opt out of the City's health insurance coverage for the following reasons: 1) employee's spouse has a more attractive benefit package through the spouse's employer; and/or 2) employee is married to another City employee. The monthly health allowance is \$385.10 for family and \$182.24 for single. Employees may use the health allowance to enhance their dental program or to purchase additional supplemental coverage through contracted medical providers with the City.
- 10) The Fire Association agrees that if an employee requests that the City make a payroll deduction to allow for payment of a service or benefit through a non-medical and/or non-contracted provider with the City, a biweekly processing fee of \$5.00 will be added by the City to pay for the processing of the payroll deduction and payment. This \$5.00 processing fee shall not apply to payroll deductions for union dues.
- 11) The Fire Association has agreed to changes in the Retiree Health Plan, including a provision whereby eligible employees who retire after July 1, 2008 shall have the option of selecting the pre-1993 retiree health coverage (lifetime medical coverage for \$120.00 a month, with Medicare the primary insurance at age 65) or the post-1993 retiree health coverage (medical coverage will cap at age 65). The changes also involve a provision that employees hired after July 1, 2008 shall not be entitled to medical insurance coverage when they retire from City service.

The non-economic changes from the previous MOU are as follows:

- 1) The City and the Fire Association agree that the PERS Retirement Plan shall remain at 2% at 50 during the term of this MOU. However, in recognition that the Association indicated that the retirement benefit is the Association's top priority, the City agrees to continue discussions regarding a different retirement plan with the Fire Association during the negotiations for fiscal year 2009-2010. The City seeks to continue meaningful negotiations on this issue during the fiscal year 2009-2010 negotiations after it obtains the updated cost information from PERS. Before commencement of the fiscal year 2009-2010 negotiations, the City will obtain an updated contract amendment request for cost information and obtain a cost analysis from PERS. The City remains committed to offering quality benefits for its personnel while maintaining a balanced City budget.

Attachments: MOU (20 pages)

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RESOLUTION NO. 2009-_____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO,
CALIFORNIA, APPROVING AND ADOPTING A MEMORANDUM OF
UNDERSTANDING BETWEEN THE CITY AND THE CALEXICO
FIREFIGHTERS' ASSOCIATION AND AUTHORIZING THE CITY MANAGER
TO SIGN THE MEMORANDUM OF UNDERSTANDING ON BEHALF OF THE
CITY**

WHEREAS, Employer-Employee Relations for the City of Calexico (hereinafter, "City") are governed by California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act, and Calexico City Council Resolution No. 2204, entitled: "Resolution of the City Council of the City of Calexico Pertaining to Employer-Employee Relations for the City of Calexico," dated July 7, 1970, which is also referred to as the "Employer-Employee Relations Resolution of the City of Calexico"; and

WHEREAS, the Memorandum of Understanding between the City and Calexico Firefighters' Association (hereinafter, "bargaining unit") for fiscal years 2006-2008 expired on June 30, 2008; and

WHEREAS, the City's Negotiation Team, composed of the City Manager, Finance Director, Human Resources Director, and a representative from the Office of the City Attorney, and representatives of the bargaining unit held numerous "meet and confer" sessions regarding terms for a new Memorandum of Understanding (hereinafter, "MOU"); and

WHEREAS, the City and the bargaining unit have reached agreement for a new MOU for the period of July 1, 2008 through June 30, 2009; and

WHEREAS, Section 15 of the Employer-Employee Relations Resolution of the City of Calexico provides: "When the meeting and conferring process is concluded between the City and a formally recognized employee organized representing a majority of the employees in an appropriate unit, all agreed upon matters shall be incorporated in a written memorandum of understanding signed by the duly authorized City and majority representatives. As to those matters within the authority of the City Council, the memorandum of understanding shall be submitted to the City Council for determination." and

WHEREAS, by vote of the bargaining unit membership, the bargaining unit is formally represented by the Calexico Firefighters' Association (hereinafter, "Union"); and

WHEREAS, the MOU is entered into by and between the City and the Union; and

WHEREAS, the MOU has been ratified and approved by the membership of the bargaining unit;

WHEREAS, upon approval of this Resolution by the City Council, the MOU shall reflect the sole agreement of the parties and supersede all prior agreements whether written or oral; and

NOW, THEREFORE, be it resolved, determined, and ordered by the City Council of the City of Calexico:

Section 1. The above recitals are true and correct, and are deemed to be findings by the City Council.

Section 2. The Memorandum of Understanding between the City and the Union referenced herein is hereby approved and adopted, and the City Council authorizes the City Manager to sign the Memorandum of Understanding on behalf of the City.

PASSED, ADOPTED and APPROVED this _____ day of _____ 2009, by the following City Council of the City of Calexico.

Louis A. Fuentes, Mayor
City of Calexico,
California

ATTEST AND CERTIFICATION:

I hereby certify that this is a true and correct copy of Resolution No. _____.

LOURDES CORDOVA, City Clerk
City of Calexico, California

APPROVED AS TO FORM:

JENNIFER M. LYON, CITY ATTORNEY